

Family and Children Services

Public Hearing

DHS Concerns

May 17, 2006

I am Lisa Leonard, director of The Salvation Army's Beginnings Child Care, and a member of Advocates for Better Childcare. Beginnings has been in operation for 13 years and employs 14 teaching staff, 3 support staff all educating and caring for 46 children ages 6 weeks to 10 years.

My involvement with Advocates for Better Childcare for the last 18 months has been an eye opening experience and has put me in contact with over 400 of Michigan's child care providers. The common concerns are always the same and they revolve around DHS , proposed rules for centers, new rules for home providers and DHS payments for all providers. The amount of interest and concern I have seen from providers to be involved and informed is my focus today.

Providers are concerned that the proposed rule changes for centers and the new rules for home providers were created without their input.

- Many committee members, while they are involved in agencies that support early childhood education, are far removed from the daily operations and fiscal understanding of child care in Michigan.

While it is recognized that the rules committee and DHS have heard many of our concerns and have made adjustments, there is still a lack of connection between the development of new rules, the feasibility of their implementation by providers and their enforcement by child care licensing.

- Providers want to achieve and maintain high standards and provide quality early childhood education and care. They feel that the department spends

so much time on complaints that there is a jaded view of the vast majority of providers and that the new home rules and proposed center rules reflect this view.

- The May 2005 OCAL performance audit of Child Day Care and Welfare Licensing shows the number of day care facilities to consultants to be 342-1, while Public Act 119 of 2001 and Public Act 527 of 2002 require that the state using appropriated federal funds maintain a ratio of 210-1.
- Providers need easier access to the department and more frequent contact with licensing consultants to understand the intent and achieve implementation the rules.
- Child care licensing consultants cannot currently keep up with the case load and the addition of new rules for homes and centers will only exacerbate the problem.

As home providers work to achieve the new rules and centers prepare for their new rules to go into effect, all providers who care for Michigan's neediest children are affected by the current DHS payment system.

- Payment rates to providers have not been increased in over 13 years, while market rate surveys continue to reflect the increased cost of child care in Michigan.
- Jeffery Howard of Service Employees International stated, "Michigan has one of the worst reimbursement policies for providers in the USA." Providers all agree....and that what makes us one of the worst is that providers are reimbursed hourly rather than at a weekly or daily rate as the industry operates.
- A weekly or daily payment system at the current hourly rate would fiscally support providers and ensure that Michigan's neediest children have access to and are receiving high quality early education and care.

- As with child care licensing and complaints, so much time is spent on fraud allegations coupled with lengthy and costly investigations that it makes the entire industry look like we are untrustworthy.
- A change in the payment system would reduce fraud allegations, at a cost savings to the department and encourage more providers to accept low income families.

Michigan's child care providers want to partner with DHS on all levels. We serve the same purpose, Michigan's families and Michigan's most valuable resource, it's children.

A handwritten signature in cursive script, reading "Lisa Gerard". The signature is written in dark ink and is positioned below the main body of text.